

**TRABUCO CANYON WATER DISTRICT
EXECUTIVE COMMITTEE MEETING RECAP
SEPTEMBER 12, 2011**

DIRECTORS PRESENT

Ed Mandich, Committee Chair
Mike Safranski, Committee Member

STAFF PRESENT

Don Chadd, General Manager
Hector Ruiz, District Engineer
Teresa Teichman, Secretary to the Board of Directors
Michael Perea, Special Projects Manager

PUBLIC PRESENT

No members of the public were present.

CALL MEETING TO ORDER

Committee Chair Mandich called the September 12, 2011 Executive Committee Meeting to order at 7:05 a.m.

VISITOR PARTICIPATION

Public comments were announced. No comments were received.

ORAL COMMUNICATION

Oral communication was announced. No comments were received.

COMMITTEE MEMBER COMMENTS

Committee Member, Mr. Mike Safranski, confirmed TCWD is in compliance with the recent Grand Jury recommendations on the issue of transparency. Mr. Don Chadd, General Manager, advised as of August 31, 2011, TCWD's compensation information can be found on TCWD's website.

REPORT FROM THE GENERAL MANAGER

Mr. Chadd advised he does not have anything that is not covered in the regular meeting.

**EXECUTIVE COMMITTEE MEETING RECAP
SEPTEMBER 12, 2011
PAGE 2**

BOARD AGENDA MATTERS

ITEM NO. 1) EXECUTIVE COMMITTEE MEETING REAP

The June 6, 2011 Executive Committee Meeting Recap was presented to the Committee.

The Executive Committee recommended the Board receive and file the June 6, 2011 Executive Committee Recap. (Consent Calendar).

ITEM NO. 2) DISCUSSION RELATING TO PENDING/FUTURE BOARD AGENDA TOPICS

Mr. Chadd provided tentative outlines of discussion topics for future Board meeting for the months October through December 2011.

Discussion occurred relating to the Baker Water Treatment Plant (BWTP). Mr. Ruiz provided an updated schedule and stated bids for the project are anticipated to come in during April 2012. Mr. Ruiz advised once the bids have been received that will be the time for the next Go/ No-Go off-ramp option for TCWD. Mr. Ruiz recommends holding a Special Board Workshop to discuss the project benefits and costs in more detail closer to that time. Mr. Ruiz confirmed this item will remain on both the Engineering/Operational Committee agenda and the Regular Board agenda in order to keep the Board and staff apprised of updates.

Mr. Chadd discussed the upcoming Metropolitan Water District of Southern California (MET) and Municipal Water District of Orange County (MWDOC) rate increases effective to all water purveyors on January 1, 2012. Mr. Chadd reminded the Committee that the Board passed Resolution No. 2010-1142 in December of 2010 which authorizes TCWD to *Pass Through* future adjustments in water rates for changes in wholesale water rates and charges for a period not to exceed five years. Discussion occurred related to the required 30 day minimum notice to district customers and the option of providing the required information at the time of the normal Utility Bill mailing on October 18, 2011 and November 8, 2011 or in the form of a separate district mailing to occur no later than November 18, 2011.

Mr. Chadd discussed the collection and disposal of sewage within the district. Mr. Chadd provided information relating to the two separate facilities which sewage is sent to and the costs associated with each. Mr. Chadd advised staff will be performing an in-depth analysis of the cost of collection and disposal for each site and report the findings to the Board.

Mr. Chadd advised the committee that Willdan and Associates will be performing the required annual Arbitrage Rebate Analysis for the District.

Mr. Ruiz advised he will be meeting with PSOMAS today as it relates to both the Brookseed/Dove Inter-Tie Project and the Trabuco Highlands Pressure Zone Analysis Project.

EXECUTIVE COMMITTEE MEETING RECAP
SEPTEMBER 12, 2011
PAGE 3

Mr. Ruiz advised he will have one contractor perform the work on both projects. Mr. Chadd advised the committee TCWD will provide the recommended bid award at the time of the October Regular Board meeting.

Mr. Ruiz provided a draft copy of the letter which will be sent out today to the Office of Statewide Operations, California Emergency Management Agency for the appeal to PW 79: 16-inch Raw Water Transmission Line. The appeal letter will also include five technical memos and several ariel views of the area, pre and post storm damage.

Mr. Ruiz advised he has spoken with Mr. Dan Feron, District Engineer for the Santa Margarita Water District (SMWD) as it relates to costs relating to the March 2010 SMWD sewage spill. Mr. Ruiz indicated Mr. Feron is open to discussion of TCWD's portion of the fine along with providing a full accounting of all associated costs. Mr. Ruiz stated SMWD will be meeting with the San Diego Regional Water Quality Control Board on September 14, 2011 and Mr. Ruiz will have more information to present at the time of the September Board meeting.

Mr. Ruiz advised TCWD's response to the Notice of Preparation for Environmental Impact Report relating to Saddle Crest Homes has been sent out. MR. Ruiz advised the developer is anxious to move forward with the project. Mr. Ruiz stated he is meeting with PSOMAS today as it relates to the Sub-Area Master Plan (SAMP) and Mr. Ruiz is preparing a letter to Rutter.

The Executive Committee discussed the information presented and recommended forwarding to the Board. (Action Calendar).

**ITEM NO. 3) DISCUSSION RELATING TO POSSIBLE ADJUSTMENT OF
WATER COMMODITY AND SEWER FLAT FEES**

Discussion occurred relating to which communities within the District flow to the Robinson Ranch Wastewater Treatment Plant, which areas are on septic service, and which areas flow to the Chiquita Wastewater Plant. Mr. Chadd stated he will be working with Finance Staff, Wastewater Staff, and District Engineer to determine TCWD's cost relating to each zones collection and disposal of sewage.

Discussion also occurred relating to the anticipated expansion of 15 to 20 percent in the District within the next three years and the potential impact this may have on TCWD's systems and finances.

The Executive Committee discussed the information presented. Forward to Board (Action Calendar).

**EXECUTIVE COMMITTEE MEETING RECAP
SEPTEMBER 12, 2011
PAGE 4**

LEGISLATIVE MATTERS

ITEM NO. 4) REVIEW OF LEGISLATIVE INFORMATIONAL ITEMS

Mr. Chadd advised the City of Rancho Santa Margarita (City) has paid TCWD's invoice for the Plano Median Conversion Project. Mr. Chadd advised the City is seeking a new City Manager as the current City Manager has provided notice of retirement.

Mr. Chadd provided information from a recent meeting with South County agency General Managers and Elected Officials as it relates to MWDOC.

Mr. Chadd advised he had discussion with Irvine Ranch Water District's (IRWD) management staff regarding funding options for TCWD relating to the BWTP financing.

The Executive Committee discussed the information presented. No action taken.

OTHER MATTERS

**ITEM NO. 5) REPORTS OR COMMENTS FROM THE GENERAL MANAGER
AND/OR STAFF**

Mr. Chadd reported a member of TCWD's Water Department has provided notice to TCWD he will be taking a position within IRWD's Water Department. Mr. Chadd went on to provide a summary of that individual's accomplishment while at TCWD and to state he will be missed within the organization.

ADJOURNMENT

Committee Chair Mandich adjourned the September 12, 2011 Executive Committee Meeting at 7:59 a.m.